AMENDMENT 1 TO DEVELOPER'S PUBLIC REPORT FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME:	ANYUKA OHANA
PROJECT ADDRESS:	17 and 17A South Kalaheo Avenue Kailua, HI 96734
REGISTRATION NUMBER:	6618 (Conversion)
EFFECTIVE DATE OF REPORT:	September 28, 2010
MUST BE READ TOGETHER WITH DEVELOPER'S PUBLIC REPORT DATED:	July 1, 2008
DEVELOPER(S):	See Exhibit L

Preparation of this Amendment

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developer's Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means any change that directly, substantially, and adversely affects the use or value of (1) A purchaser's unit or appurtenant limited common elements; or (2) Those amenities of the project available for the purchaser's use.

The law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

This Amendment has <u>not</u> been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this amendment to the Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.

Commission's judgment of the value or merits of the project.

The law defines "material facts" to mean any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale.

This amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encouraged to read this amendment carefully and to seek professional advice.

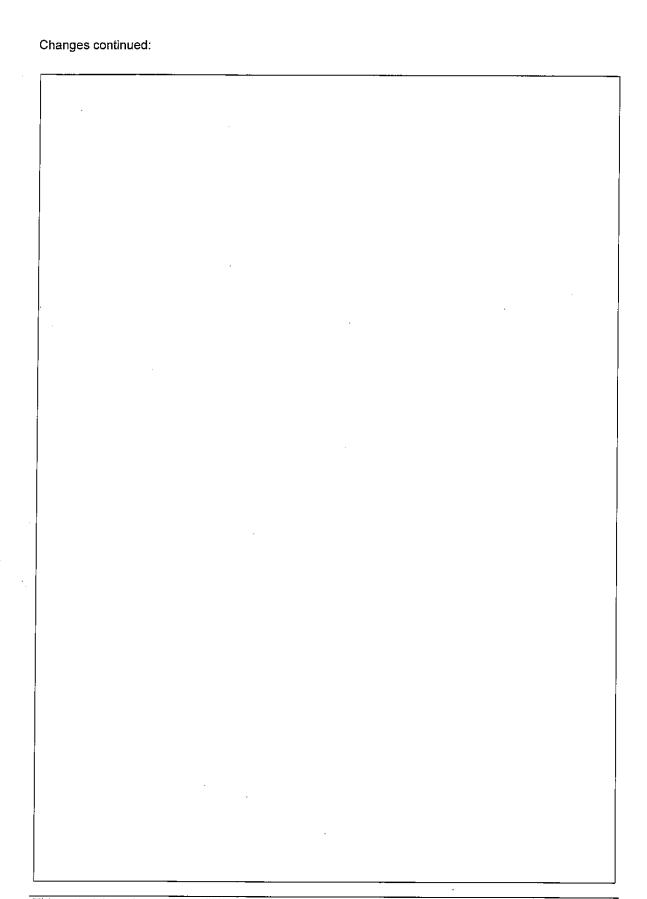
Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

Summary of Changes from Earlier Developer's Public Report:

This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

1. Unit 17 is now owned by Cl	HARLES M. SCHAFFER. See revised page 9 and new Exhibit L.		
2. The Project's Declaration and Condominium Map were amended to designate a common driveway and remove restrictions related to pets within the Project. See revised pages 5, 9, 10, 18, Exhibit D, Exhibit E, Exhibit F, and Exhibit G.			
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This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.

The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a) (13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report as amended, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report as amended, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report as amended and the exhibits attached to this report (if any) as amended and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report as amended to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report as amended at least 30 days prior to the anniversary date of the effective date of this report.

See Exhibit L	
Printed Name of Developer	
Duly Authorized Signatory* ALEXANDER G. SCHAFFER, Successor Trustee Printed Name & Title of Person Signing Above	
Distribution:	r
Department of Finance, City and County of Honolulu	
Planning Department, City and County of Honolulu	

(LLP) by the general partner; for a limited liability company (LLC) by the manager or an

authorized member; and for an individual by the individual.

*Must be signed for a corporation by an officer; for a partnership or limited liability partnership

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The Developer hereby certifies that all the information contained in this report as amended and the exhibits attached to this report (if any) as amended and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report as amended to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report as amended at least 30 days prior to the anniversary date of the effective date of this report.

See Exhibit L	
Printed Name of Developer	
Mones M. Schaff Duly Authorized Signatory*	<u>August 5, 2010</u> Date
CHARLES M. SCHAFFER	. '
Printed Name & Title of Person Signing Ab	ove
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*Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.

Distribution:

Department of Finance, City and County of Honolulu Planning Department, City and County of Honolulu

1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the			
individual units and any other real estate for the benefit of unit owners. Although the common elements			
are owned jointly by all unit owners, those portions of the common elements that are designated as			
limited	common elements (see Section 1.10 below	v) may be used only by those units to which they are	
this proi	a. In addition to the common facilities desc ect, as described in the Declaration, are se	cribed in Section 1.8 above, the common elements for	
	ect, as described in the Declaration, are se	t forth below.	
1	ed as follows:		
Describe	su as lonows.		
Comm	on Element	Number	
Elevato	rs	0	
<u> </u>	· · · · · · · · · · · · · · · · · · ·	0	
Stairwa	·		
Trash C	Chutes	0	
1.10 L	imited Common Elements		
1.10	Limited Common Liements		
Limited (Common Elements: A limited common elem	nent is a portion of the common elements that is	
reserved	for the exclusive use of one or more but fe	ewer than all units in the project.	
ı	d in Exhibit E .		
Describe	d as follows:		
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	•		
	· _		
1.11 S	pecial Use Restrictions		
1.11	pecial ose Resulctions	,	
The Decla	aration and Bylaws may contain restrictions	s on the use and occupancy of the units. Restrictions	
	roject include, but are not limited to, those		
	Pets:		
	reis.		
	Number of Occupants:		
X	Other: See Exhibit F		
	There are no special use restrictions.		
1.12 E	ncumbrances Against Title		
An encumbrance is a claim against or a liability on the property or a document affecting the title or use of			
the property. Encumbrances may have an adverse effect on the property or your purchase and			
ownership of a unit in the project. Encumbrances shown may include blanket liens which will be released			
prior to co	onveyance of a unit (see Section 5.3 on Bla	anket Liens).	
Exhibit G describes the encumbrances against title contained in the title report decribed below.			
Date of the title report: August 4, 2010			
Company that issued the title report: Title Guaranty of Hawaii, Inc.			

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer(s)	Name: See Exhibit L
	Business Address: 17 S. Kalaheo Avenue Kailua, HI 96734
	Business Phone Number: (808) 968-8531
	E-mail Address: shafamfarm@aol.com
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	
2.2 Real Estate Broker	Name: None selected, see page 18 Business Address:
· <u>· </u>	Business Phone Number: E-mail Address:
2.3 Escrow Depository	Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, 1st Floor Honolulu, HI 96813
	Business Phone Number: (808) 521-0211
2.4 General Contractor	Name: Business Address:
	Business Phone Number:
2.5 Condominium Managing Agent	Name: Self-managed by the association Business Address:
	Business Phone Number:
-	Name: Jeffrey S. Grad Business Address: 841 Bishop Street, Suite 1800 Honolulu, HI 96813
	Business Phone Number: (808) 521-4757

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

		description of the land, buildings, units, ts, and other information relating to the
Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	January 23, 2008	3723050
Amendments to Declaration of	Condominium Property Regime	
Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	February 3, 2010	3942115
Land Court	July 22, 2010	3985597
	·	

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Date of Document Document Number

Conveyances

Land Court January 23, 2008 3723050

Amendments to Bylaws of the Association of Unit Owners		
Land Court or Bureau of Conveyances	Date of Document	Document Number
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3.3 Condominium Map

The Condominium Map contains a site plan and floor p project. It also shows the floor plan, unit number and di		
Land Court Map Number	1943	
Bureau of Conveyances Map Number		
Dates of Recordation of Amendments to the Condominium Map: 1. Instrument dated February 3, 2010, filed as Land Court Document No. 3942115		

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

- 1. DISCLOSURE RE: NON SELECTION OF REAL ESTATE BROKER. As of the effective date of this Developer's Public Report, the Developer has not executed a listing agreement for the sale of this condominium project with any duly licensed Hawaii real estate broker. Thus, the developer cannot offer to sell or sell any units in this registered condominium project until:
 - 1) the developer executes a listing agreement for the sale of this condominium project,
 - 2) amends this developer's public report to reflect the new information, and
 - 3) delivers this public report and amendment to the prospective purchaser.

The conditions for binding sales contract are listed on pages 16-17 paragraph 5.8.1.

2. Ohana Unit.

A prospective buyer of Unit 17A should be aware that Unit 17A is considered to be an "ohana" unit as defined in the Land Use Ordinance of the City and County of Honolulu ("LUO"). The rule with respect to ohana units has been recently revised and could be changed from time to time in the future.

Under the current LUO, the size to which an ohana unit may be expanded or rebuilt (if such Unit is destroyed) is based on such Unit's proportionate share of the "development" rights applicable to the Project's land area (12,607 sq. ft.). If Unit 17A were destroyed to the extent of more than 50% of its replacement value, then LUO would appear to permit rebuilding of such Unit to the greater of (i) its size prior to such destruction or (ii) to a size and floor area that are based on the Unit's proportionate share (approximately 61%) of allowable lot coverage (Building Area).

The applicable ohana provisions have been recently amended, and any prospective buyer is urged to contact the Department of Planning and Permitting of the City and County of Honolulu (DPP) to discuss the DPP's implementation of the revised rule with respect to permissible enlargements and replacements of an ohana unit.

EXHIBIT D Common Elements

Paragraph 4 of the Declaration, as amended, states:

"One freehold estate is hereby also designated in all the portions of the Project other than the Units. Such are referred to herein as "common elements."

The common elements include, but are not limited to:

- 4.1 The Land in fee simple;
- 4.2 Any pipes, wires, ducts, conduits or other utility or service lines, drainage ditches or appurtenant drainage structures and retaining walls (if any), which are located outside the Units and which are utilized for or serve more than a single Unit; and
- 4.3 The area of Land shown on the Revised Site Map portion of the Condominium Map as "Common Element 1,166 square feet.""

END OF EXHIBIT D

EXHIBIT E Limited Common Elements

Paragraph 5 of the Declaration, as amended, states:

"5.1 Certain parts of the common elements, herein called the "Limited Common Elements," are hereby designated and set aside for the exclusive use of certain of the Units, and each Unit shall have appurtenant thereto exclusive easements for the use of all such limited common elements set aside and reserved for such Unit's exclusive use.

Unless otherwise specified, all costs of every kind pertaining to a limited common element, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne by the Owner of the Unit to which such limited common element is appurtenant.

- 5.2 The limited common elements so set aside and reserved for the exclusive use of Unit 17 are as follows:
- (a) The site on which Unit 17 is located, consisting of the land area beneath and immediately adjacent to Unit 17 (including the airspace above such site), as shown and delineated on the Condominium Map as 5,082 square feet (which may be referred to as "Dwelling Area 17"); and
 - (b) A mailbox designated by Declarant for the use of Unit 17.
- 5.3 The limited common elements so set aside and reserved for the exclusive use of Unit 17A are as follows:
- (a) The site on which Unit 17A is located, consisting of the land area beneath and immediately adjacent to 17A (including the airspace above such site), as shown and delineated on the Condominium Map as 6,525 (which may be referred to as "Dwelling Area 17A"); and
 - (b) A mailbox designated by Declarant for the use of Unit 17A.
- 5.4 Any other common element of the Project which is rationally related to fewer than all the Units is a limited common element appurtenant to and for the exclusive use of such Unit to which it is rationally related."

Note: The "Dwelling Areas" herein described are not legally subdivided lots.

END OF EXHIBIT E

EXHIBIT F Special Use Restrictions

Paragrah 9 of the Declaration, as amended, states:

- "9.1 <u>Permitted Uses</u>. Each Unit shall be occupied and used only for residential purposes by the respective owners thereof, their tenants, families, domestic servants and social guests and for any other purpose permitted by the Land Use Ordinance for the City and County of Honolulu ("LUO") then in effect. Unit 17 A is considered to be an "ohana" unit as that term is defined under the LUO, as amended, and notwithstanding any provision to the contrary, the use and occupancy of Unit 17 A shall be subject to the ohana rules under the LUO to the extent that such are applicable.
- 9.2 <u>Rental Use</u>. The Owner of a Unit shall have the absolute right to lease his Unit, provided that any such lease shall be expressly made subject to the covenants and restrictions contained in this Declaration and the Bylaws.
- 9.3 <u>Care and Disturbance</u>. No Owner will suffer anything to be done or kept in a Unit or elsewhere in the Project which would jeopardize the soundness of the Project, or which will interfere with or unreasonably disturb the rights of other Unit Owners, or which will increase the rate of the hazard insurance on the Project or the Units.
- 9.4 <u>Use of Common Elements</u>. The common elements shall be used only for the purposes for which they are designed and intended.
- 9.5 Maintenance and Paint Colors. Every Unit Owner and occupant shall at all times keep his Unit and the limited common elements appurtenant thereto in a strictly clean and sanitary fashion. Such shall include repainting the exterior of each building constituting his Unit, as such becomes reasonably necessary. To the extent practicable, the paint colors of each of the Units shall be as the apartment owners shall agree and if they fail to agree, then the paint colors of each Unit shall be substantially similar to the colors of the Unit at the time of the purchase of his Unit by the then Unit Owner."

END OF EXHIBIT F

EXHIBIT G Encumbrances Against Title

1. The terms and provisions contained in the DEED dated September 24, 1981, filed as Land Court Document No. 1086893.

The foregoing includes, but is not limited to, matters relating to reservation of minerals and prehistoric and historic remains.

2. The terms and provisions contained in the DECLARATION OF CONDOMINIUM PROPERTY REGIME FOR "ANYUKA OHANA" CONDOMINIUM PROJECT dated January 25, 2008, filed as Land Court Document No. 3723050. (Project covered by Condominium Map No. 1943 and any amendments thereto.)

Said Declaration was amended by instruments dated February 3, 2010, filed as Land Court Document No. 3942115, and dated July 23, 2010, filed as Land Court Document No. 3985597

3. The terms and provisions contained in the BY-LAWS OF THE ASSOCIATION OF UNIT OWNERS dated January 25, 2008, filed as Land Court Document No. 3723051.

END OF EXHIBIT G

EXHIBIT "L" Name of Developer

ALEXANDER G. SCHAFFER, (1) as Successor Trustee under that certain unrecorded George A. Schaffer Trust dated June 17, 1997, and (2) as Successor Trustee under that certain unrecorded Eva A. Schaffer Trust dated June 17, 1997, and CHARLES M. SCHAFFER

END OF EXHIBIT "L"